

WORKER'S DISABILITY COMPENSATION ACT OF 1969 (EXCERPT)
Act 317 of 1969

CHAPTER 7
ACCIDENT FUND

418.700 "Effective date of the transfer" and "permitted transferee" defined.

Sec. 700. As used in this chapter:

(a) "Effective date of the transfer" means the date on which a transfer authorized by section 701a occurs.

(b) "Permitted transferee" means an insurer organized pursuant to chapter 51 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being sections 500.5100 to 500.5114 of the Michigan Compiled Laws.

History: Add. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

Popular name: Act 317

418.700a Privatization; minority, women, and persons with disabilities owned and operated businesses.

Sec. 700a. To help ensure participation by minority, women, and persons with disabilities owned and operated businesses in state privatization efforts under this act, the state of Michigan strongly encourages businesses, when responding to privatization requests for proposals and quotations, to either joint venture with or subcontract to minority, women, and persons with disabilities owned and operated businesses.

History: Add. 1993, Act 198, Eff. Dec. 28, 1994;—Am. 1998, Act 74, Imd. Eff. May 4, 1998.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

"Section 3. (1) Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

"(2) Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

Popular name: Act 317

418.701 State accident fund; creation; purpose; transfer of fund created in 1912; membership and coverage; premiums or assessments; administration; disbursements; liability; appointment and term of chief executive officer; cessation of insurance transactions and operations; winding up affairs.

Sec. 701. (1) The state accident fund is created to provide only worker's compensation insurance and employer's liability insurance for employers until the effective date of the transfer. The state accident fund created in 1912, with all its authority, powers, duties, and functions, records, personnel, property, and unexpended balances of funds, including the functions of budgeting and procurement and management related functions shall be transferred to and shall be an autonomous entity in the department of commerce. Upon compliance with underwriting standards adopted by the state accident fund, membership in and coverage by the state accident fund shall be provided to employers subject to this act who shall request such membership and coverage of the fund in writing. Thereupon the accident fund shall assume charge of levying and collecting from the employers such premiums or assessments as may be necessary from time to time to pay the sums which become due under the provisions of this act and also the expense of administration; and shall disburse such sums in accordance with the provisions of this act. The state shall not be liable or responsible for the payment of claims for compensation under the provisions of this act beyond the extent of the sums so collected and received.

(2) The chief executive officer of the state accident fund shall be the executive director who shall be appointed by the governor with the advice and consent of the senate who shall serve at the pleasure of the governor for a term not to exceed 4 years or until 1 year following the effective date of the transfer, whichever is less.

(3) Except as otherwise provided in this chapter, after the effective date of the transfer, the state accident

fund shall not transact insurance in this state, and all operations of the state accident fund pursuant to former sections 705, 711a, 712, 714, 715, 722, 723, 725, 735, 742, 745, 746, 755, and 756 shall cease. Section 751 shall not apply in the event of a transfer authorized by section 701a. Fees imposed pursuant to section 713 shall accrue until the effective date of the transfer and shall not apply after the effective date of the transfer. The permitted transferee shall be prohibited from asserting any claim for a tax refund against the fees paid in lieu of taxes by the state accident fund pursuant to section 713.

(4) For a period of not more than 1 year after the effective date of the transfer, the commissioner of insurance or his or her designee shall be authorized to wind up the affairs of the state accident fund including, but not limited to, the completion of records and reports required under section 741 as to the business of the state accident fund through the effective date of the transfer.

History: 1969, Act 317, Eff. Dec. 31, 1969;—Am. 1990, Act 157, Imd. Eff. June 29, 1990;—Am. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

Popular name: Act 317

418.701a Agreement for sale of state accident fund assets and assumption of liabilities; conditions; consideration; authority of state administrative board or executive director of state accident fund; jurisdiction of court; cause of action; liens, claims, or interests; establishing terms and conditions; evaluating and rejecting proposals; report.

Sec. 701a. (1) The state administrative board created pursuant to 1921 PA 2, MCL 17.1 to 17.3, may authorize the executive director of the state accident fund to enter into and consummate, under terms and conditions approved by the state administrative board, an agreement in the name of the state of Michigan for the sale of all or substantially all of the assets of the state accident fund to a permitted transferee, and assumption of all or substantially all of the liabilities of the state accident fund by the permitted transferee subject to the following conditions:

(a) The state administrative board shall have received before the effective date of the transfer an opinion of a nationally recognized investment banking firm that the consideration for the assets to be transferred is fair from a financial point of view.

(b) The state administrative board shall have received before the effective date of the transfer an opinion of a nationally recognized actuarial firm that the assets of the state accident fund transferred to a permitted transferee are adequate to permit the payment of all liabilities under policies of insurance assumed by the permitted transferee based upon sound actuarial principles.

(c) The state administrative board shall have determined before the effective date of the transfer that the consideration for the assets to be transferred is among the highest cash offers by a qualified bidder as provided for in this section not using the state accident fund assets, is fair from a financial point of view and is sufficient such that the credit of the state shall not have been granted to, nor in aid of any person, association, or corporation, public or private. A person seeking to purchase the state accident fund shall not include as part of its bid the existing assets of the state accident fund. The state administrative board with the advice of the insurance commissioner shall make a determination that the bidder has adequate resources to capitalize the permitted transferee, and will operate the permitted transferee as a Michigan domestic insurer pursuant to chapter 51 of the insurance code of 1956, 1956 PA 218, MCL 500.5100 to 500.5114.

(d) The state administrative board, as it considers appropriate from time to time, may consult with or receive information or recommendations from the insurance commissioner or any other person considered appropriate by the state administrative board, for purposes of assisting the state administrative board in making a final decision in evaluating 1 or more offers from any person seeking to become or establish a permitted transferee for purposes of acquiring the state accident fund pursuant to this section.

(e) The state administrative board shall give due consideration to minority, women, and persons with disabilities owned businesses and prospective bidders that have minority, women, and persons with disabilities owned business participation. A prospective bidder shall indicate in its proposal the name, address, and amount of equity participation for each minority, women, or persons with disabilities owned and operated business that is included as part or all of the bidding group.

(2) The consideration in the transaction referred to in subsection (1) shall be the property of the state of Michigan. The consideration shall not be subject to the assessment of fees pursuant to section 713. The

consideration shall be appropriated as follows:

(a) Not more than 1% of the consideration to a separate segregated fund to be held by the state treasurer and administered by the commissioner of insurance and the executive director of the state accident fund for the purposes of winding up the affairs of the state accident fund pursuant to section 701(4).

(c) The remainder to the general fund for transfer to the countercyclical budget and economic stabilization fund established pursuant to section 351 of the management and budget act, 1984 PA 431, MCL 18.1351.

(3) The state administrative board or the executive director of the state accident fund with the authorization of the state administrative board, in furtherance of the transactions permitted under this section, may do any of the following:

(a) Sell, convey, lease, exchange, transfer, or otherwise dispose of the assets and liabilities including any real or personal property of the state accident fund, wherever situated.

(b) Sell, exchange, transfer, or otherwise dispose of bonds and other obligations, shares or other securities or interests issued by others, whether engaged in similar or different businesses, or governmental or other activities, including banking corporations or trust companies.

(c) Have and exercise all powers necessary or convenient to effect or complete the transactions permitted under this section.

(4) A court in this state shall not have jurisdiction to enjoin or otherwise restrain the transfer of assets and liabilities under this section. The court of claims shall have exclusive jurisdiction over any claims asserted against the state of Michigan arising out of or related to this section.

(5) No cause of action on behalf of any holder of a policy of insurance issued by the state accident fund shall lie against the permitted transferee arising out of the sale of assets or other transactions permitted under this section, except that this subsection shall not limit the rights or remedies of the holder under a policy of insurance issued by the state accident fund and assumed by the permitted transferee to contest the insurance coverage arising under a policy of insurance issued by the state accident fund. No cause of action on behalf of any holder of a policy of insurance issued by the state accident fund shall lie against the state of Michigan or any political subdivision of the state arising out of the sale of assets or other transactions permitted under this section, or arising under policies of insurance issued by the state accident fund.

(6) Except for taxes otherwise imposed by the state of Michigan or any political subdivision of the state or any fees imposed pursuant to section 713, the sale of assets permitted under this section shall be free and clear of any liens, claims, or interests of the state of Michigan or any person claiming through or under the state of Michigan.

(7) The state administrative board for and on behalf of the state of Michigan and subject to the requirements of this section shall have the right in its sole and absolute discretion to establish the terms and conditions of any proposal for the sale of the state accident fund on the basis of its own criteria, to evaluate those proposals by its own criteria, and to reject any or all proposals without assigning any reasons. If 2 or more prospective bids are substantially similar in terms and conditions and the dollar amount of the bids are within 5% of each other, the board shall give preference to a bidder agreeing to retain, for a period of 5 years after the effective date of the transfer, not less than 75% of the employees employed by the accident fund on the effective date of the transfer. The board shall not consider a bidder who does not agree to offer health coverage without preexisting conditions or exclusions to employees employed by the accident fund on the effective date of the transfer and who are retained by the bidder. The state administrative board shall permit a group that is composed solely of a majority of the employees of the state accident fund the opportunity to meet the bid that the board determines is the most favorable for the sale of the fund. If the employees meet this bid, including the standards and preferences of this section, they must do so within 60 days of the presentation to the state administrative board. The employees shall be given the opportunity to form an insurer for the purpose of acquiring the fund and shall be permitted a period of time not to exceed 10 years within which to consummate the sale of the state accident fund. The state administrative board for and on behalf of the state of Michigan expressly reserves the right without giving any reasons and without any liability therefor, at any time and in any respect, to amend or terminate any activities with respect to the sale of the state accident fund, commence or terminate discussions with any or all persons seeking to purchase the state accident fund, reject any or all proposals to acquire the state accident fund, and to negotiate and consummate the sale of the state accident fund with any person. If a proposal submitted by a nonprofit health care corporation operating under the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1704, is accepted, the nonprofit health care corporation, in addition to payment of the purchase price, shall remit to the state treasurer an additional amount calculated by the state treasurer as being equal to the single business tax that a nonprofit health care corporation would have paid on the accumulated assets used to acquire the accident fund if the nonprofit health care corporation were a for-profit mutual insurer.

(8) Nothing in this section shall require the state administrative board to approve or authorize any

transaction for the sale of the state accident fund.

(9) Not less than 30 days before the transfer is consummated with a permitted transferee, the state administrative board shall make a report to the legislature providing the name and business address of each bidder; the amount, terms, and conditions of each respective bid; and the copies of the opinions required by subsection (1)(a) and (b).

History: Add. 1993, Act 198, Eff. Dec. 28, 1994;—Am. 1998, Act 74, Imd. Eff. May 4, 1998.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

"Section 3. (1) Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

"(2) Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

The following provision of this section, as added by Act 198 of 1993, was vetoed by the governor on October 18, 1993:

"(b) An amount equal to \$5,500,000.00 to the pension reserve fund and the dental-vision reserve fund created by section 11 of the state employees' retirement act, Act No. 240 of the Public Acts of 1943, being section 38.11 of the Michigan Compiled Laws, to be divided between the funds in the same proportion that each bears to the total percent of payroll charged to state agencies for the cost of these benefits for the fiscal year ending September 30, 1994."

Popular name: Act 317

418.702 Cessation of operation or dissolution of certain authorities, municipal councils, or municipal corporations with contract to provide transportation services; payment of claims; determination of amount; processing of claims; compensation for services; assignment of carrier; duties; conditions; lien; use of state funds for payment of private obligations.

Sec. 702. (1) If the suburban mobility authority regional transportation authority created pursuant to the metropolitan transportation authorities act of 1967, Act No. 204 of the Public Acts of 1967, as amended, being sections 124.401 to 124.426 of the Michigan Compiled Laws, an authority created by interlocal agreement pursuant to the urban cooperation act of 1967, Act No. 7 of the Public Acts of the Extra Session of 1967, being sections 124.501 to 124.512 of the Michigan Compiled Laws, an authority created pursuant to the public transportation authority act, Act No. 196 of the Public Acts of 1986, being sections 124.451 to 124.479 of the Michigan Compiled Laws, a metropolitan council established pursuant to the metropolitan council act, Act No. 292 of the Public Acts of 1989, being sections 124.651 to 124.685 of the Michigan Compiled Laws, an authority or a municipal corporation that has entered into an intergovernmental contract to provide transportation services pursuant to Act No. 35 of the Public Acts of 1951, being sections 124.1 to 124.13 of the Michigan Compiled Laws, or Act No. 55 of the Public Acts of 1963, being sections 124.351 to 124.359 of the Michigan Compiled Laws, or an authority created pursuant to Act No. 55 of the Public Acts of 1963, as amended, being sections 124.351 to 124.359 of the Michigan Compiled Laws, ceases to operate or is dissolved, and a successor agency is not created to assume its assets, liabilities, and perform its functions, and if the authority is authorized to secure the payment of compensation under section 611(1)(a), then the state hereby guarantees the payment of claims for benefits arising under this act against the authority. Payment of claims by the state under this section shall be made from the general fund.

(2) Except as otherwise provided in subsection (3), the accident fund shall determine in detail as the director of the department of management and budget may require the amount necessary to pay the claims for benefits for which the state is responsible pursuant to subsection (1). The accident fund shall be responsible for the processing of these claims and shall be compensated for its services in the same manner as a carrier is compensated for processing the claims of state employees.

(3) The Michigan worker's compensation placement facility shall randomly assign a carrier licensed to write worker's disability compensation insurance to determine in detail as the director of the department of management and budget may require the amount necessary to pay the claims for benefits for which the state is responsible pursuant to subsection (1). The carrier so assigned shall be responsible for the processing of these claims and shall be compensated for its services in the same manner as for processing the claims of state employees. This subsection shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws. If the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the

assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee, then this subsection shall apply and subsection (2) shall not apply.

(4) The state shall be entitled to a lien which shall take precedence over all other liens on its portion of the assets of the authority in satisfaction of the payment of claims for benefits under this section.

(5) This section shall not be construed to permit the use of state funds for the payment of private obligations. Therefore, if an authority created pursuant to Act No. 204 of the Public Acts of 1987, being sections 124.401 to 124.426 of the Michigan Compiled Laws, Act No. 7 of the Public Acts of the Extra Session of 1967, being sections 124.501 to 124.512 of the Michigan Compiled Laws, Act No. 196 of the Public Acts of 1986, being sections 124.451 to 124.479 of the Michigan Compiled Laws, a metropolitan council established pursuant to Act No. 292 of the Public Acts of 1989, being sections 124.651 to 124.685 of the Michigan Compiled Laws, an authority or a municipal corporation that has entered into an intergovernmental contract to provide transportation services pursuant to Act No. 35 of the Public Acts of 1951, being sections 124.1 to 124.13 of the Michigan Compiled Laws, or Act No. 55 of the Public Acts of 1963, being sections 124.351 to 124.359 of the Michigan Compiled Laws, delegates to a private employer or contracts with a private employer for the performance of any of the functions permitted under its enabling statute, the director shall not permit the private employer performing these functions to be included under the authorization granted by the director to the authority or other agency to self-insure pursuant to section 611(1)(a).

History: Add. 1978, Act 480, Eff. Mar. 30, 1979;—Am. 1980, Act 387, Imd. Eff. Jan. 6, 1981;—Am. 1990, Act 282, Imd. Eff. Dec. 14, 1990;—Am. 1993, Act 198, Eff. Apr. 1, 1994;—Am. 1993, Act 223, Imd. Eff. Nov. 1, 1993.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

Popular name: Act 317

418.705 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed section pertained to payment of losses and expenses and purchase and sale of securities.

Popular name: Act 317

418.711 Repealed. 1990, Act 157, Imd. Eff. June 29, 1990.

Compiler's note: The repealed section pertained to self-supporting accident fund.

Popular name: Act 317

418.711a, 418.712 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed sections pertained to premiums and assessments, revisions to underwriting standards, rules, surplus, escrow accounts, and advances.

Popular name: Act 317

418.713 Fees; assessment, collection, and remittance; applicability of section.

Sec. 713. (1) The following fees shall be assessed and collected on the state accident fund in the same manner as on a private insurance company:

(a) Beginning January 1, 1991, a fee equal to the amount of taxes that would be assessed and collected against the real and personal property of the state accident fund under the general property tax act, Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws.

(b) Beginning January 1, 1991, a fee equal to the amount of taxes that would be assessed and collected on sales at retail to the state accident fund under the general sales tax act, Act No. 167 of the Public Acts of 1933, being sections 205.51 to 205.78 of the Michigan Compiled Laws.

(c) Beginning January 1, 1991, a fee equal to the amount of taxes that would be assessed to and collected from the state accident fund under the use tax act, Act No. 94 of the Public Acts of 1937, being sections 205.91 to 205.111 of the Michigan Compiled Laws.

(d) Beginning January 1, 1991, a fee equal to the amount of taxes that would be assessed and collected from the state accident fund under the internal revenue code in effect for the 1990 tax year. If the federal government imposes federal income tax liability on the state accident fund, the fee in this subdivision shall not apply.

(e) The fee paid by and provisions required of the state accident fund pursuant to section 476c of the

insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.476c of the Michigan Compiled Laws.

(f) The fee paid by insurers pursuant to section 224(4) through (13) of Act No. 218 of the Public Acts of 1956, being section 500.224 of the Michigan Compiled Laws.

(2) Except as provided in subsection (3), the fees assessed on the state accident fund in subsection (1) shall be remitted at the times and in the manner provided by the respective tax acts for which the fees are paid in lieu of.

(3) The fees assessed on the state accident fund in subsection (1) shall be remitted in the following manner:

(a) The revenue from the fee assessed and collected under subsection (1)(a) shall be remitted to the local treasurer in the local unit in which the property of the accident fund is located.

(b) The revenue from the fees imposed under subsection (1)(b), (c), and (e) shall be remitted to the state treasurer for deposit in the general fund.

(c) The revenue from the fee imposed under subsection (1)(d) shall be deposited in the workplace safety fund.

(d) The revenue from the fee imposed under subsection (1)(f) shall be paid pursuant to section 225 of Act No. 218 of the Public Acts of 1956, being section 500.225 of the Michigan Compiled Laws.

(4) Except for the fees paid by the state accident fund described in subsection (1)(e), this section shall not apply during any time period when the insurance commissioner certifies pursuant to sections 2409 and 2409a of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being sections 500.2409 and 500.2409a of the Michigan Compiled Laws, that a reasonable degree of competition does not exist in the worker's compensation insurance market.

History: Add. 1990, Act 157, Imd. Eff. June 29, 1990;—Am. 1994, Act 171, Imd. Eff. June 17, 1994.

Popular name: Act 317

418.714, 418.715 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed sections pertained to provision of membership and coverage to applicants at rates not excessive, inadequate, or unfairly discriminatory; classification of plants, establishments, or places of work in respect to safety; manner of paying premiums and assessments; and changing amount or premiums and assessments.

Popular name: Act 317

418.721 Repealed. 1990, Act 157, Imd. Eff. June 29, 1990.

Compiler's note: The repealed section pertained to assessments.

Popular name: Act 317

418.722-418.725 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed sections pertained to workplace health and safety fund, uninsured employers, and policy.

Popular name: Act 317

418.731 Controversies; procedure.

Sec. 731. Any controversy between the executive director and an employer insured in the state accident fund shall be subject to the review provided by law for controversies arising between insurance companies and insured employers. Any controversy between the state accident fund and a claimant for benefits from the state accident fund under the provisions of this act shall be determined in accordance with the provisions of this act in respect to controversies concerning compensation.

History: 1969, Act 317, Eff. Dec. 31, 1969;—Am. 1990, Act 157, Imd. Eff. June 29, 1990.

Popular name: Act 317

418.735 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed section pertained to inspection of books, records, and payrolls.

Popular name: Act 317

418.741 Administration of accident fund; records of business transacted; deputies, assistants, and clerical help; salaries and expenses; annual reports.

Sec. 741. (1) Subject to the conditions described in section 701(4), the executive director shall keep complete records of all business transacted by him or her in the administration of the accident fund. He or she shall be an independent appointing authority and may employ such deputies and assistants and clerical help consistent with civil service rules as may be necessary, for the proper administration of the state accident fund and the performance of the duties imposed upon him or her by the provisions of this act. All salaries and

expenses shall be charged to and paid out of the state accident fund until the effective date of the transfer.

(2) The executive director shall make an annual report and a final report within 6 months after the effective date of the transfer to the governor, the legislature, and to the policyholders that shall include a full and correct statement of the administration of the state accident fund, showing its financial status and outstanding obligations, and any other information considered appropriate.

History: 1969, Act 317, Eff. Dec. 31, 1969;—Am. 1990, Act 157, Imd. Eff. June 29, 1990;—Am. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act.”

Popular name: Act 317

418.742 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed section pertained to authority of licensed agents.

Popular name: Act 317

418.745, 418.746 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed sections pertained to payments from fund and purposes of revolving fund.

Popular name: Act 317

418.751 Dissolution of fund; disposition of fund.

Sec. 751. If this chapter is repealed, or if in the judgment of the commissioner it becomes necessary to dissolve the accident fund, all moneys which are in the accident fund at such time shall be subject to disposition under the direction of the circuit court for the county of Ingham, with due regard to the obligation incurred and existing to pay compensation under the provisions of this act.

History: 1969, Act 317, Eff. Dec. 31, 1969.

Popular name: Act 317

418.755, 418.756 Repealed. 1993, Act 198, Eff. Dec. 28, 1994.

Compiler's note: The repealed sections pertained to duties of advisory board.

Popular name: Act 317